



# NSLDS Newsletter

Number 10

May 2005

## Summary

NSLDS is pleased to announce two new system enhancements:

- The storage and display of Outstanding Principal Balance and Outstanding Interest Balance history
- The addition of the Conditional Disability Discharge Tracking System (CDDTS) as a new data provider to NSLDS

The goal of these two changes is to enhance the process of determining student eligibility. The purpose of this newsletter is to explain how to interpret and use these new enhancements.

## Capturing Outstanding Principal Balance and Outstanding Interest Balance History

Until recently, the following key loan information was stored in the NSLDS:

- Current guaranteed/approved amount
- Disbursement amount history
- Cancellation/refund amount history
- Current balance

However, on March 26, 2005, NSLDS began storing and displaying historical data regarding Outstanding Principal Balance (OPB) and Outstanding Interest Balance (OIB) amounts on the Financial Aid Administrator's NSLDS Web site at [nsldsfap.ed.gov](http://nsldsfap.ed.gov). Historical data related to OPB and OIB reported by data providers before March 26, 2005 will not be stored or displayed.

Historical information related to OPB and OIB reported after March 26, 2005, will be displayed on the Financial Aid Administrator's [nsldsfap.ed.gov](http://nsldsfap.ed.gov) Web site as soon as it is reported to NSLDS. OPB and OIB history will not be added to the student's [nslds.ed.gov](http://nslds.ed.gov) Web site.


### Frequency of balance storage

NSLDS will permanently store OPB and OIB information:

- At the end of each quarter
- Before and after a loan status code change



## Viewing the Historical OPB and OIB Information

All OPB and OIB will be stored and displayed for one year after being reported. After one year, NSLDS will store all reported balances for the current year, but for previous years, NSLDS will only store and display the OPB and OIB reported at the end of each quarter and before and after loan status changes. This new NSLDS system enhancement will not affect how ISIR transactions are generated because the Prescreening and Postscreening processes use current loan data.

History icons () will appear on the Amounts for Loan and the Status Changes sections of the Loan Detail page. Clicking any one of the history icons will display the Outstanding Amount Balance History page.




### Amounts for Loan 1

	Date	Amount
<b>Loan:</b>	01/05/2004	\$2,750
 <b>Outstanding Principal Balance:</b>	01/05/2004	\$2,750
 <b>Outstanding Interest:</b>	01/05/2004	\$0
<b>Other Fees:</b>		\$0













### Status Changes for Loan 1

Date Changed	 Status
08/02/2005	IG : IN GRACE
01/05/2004	IA : LOAN ORIGINATED

After clicking a history icon, the Outstanding Amount Balance History page is displayed.

### Outstanding Amount Balance History

NSLDS System Effective Begin Date/End Date		Outstanding Principal Balance/ Date Of	Outstanding Interest Balance/ Date Of	Status Code/ Date Of	Historically Correct Loan Status
08/02/2005	Current	\$2,750	\$0	 IG	Yes
		01/05/2004	01/05/2004	08/02/2005	
12/02/2004	08/01/2005	\$2,750	 \$0	 IA	Yes
		01/05/2004	01/05/2004	01/05/2004	
11/02/2004	12/01/2004	\$2,750	 \$35	 RP	No
		01/05/2004	05/01/2004	11/01/2004	
05/02/2004	11/01/2004	\$2,750	\$0	 IG	No
		01/05/2004	01/05/2004	05/01/2004	
01/05/2004	05/01/2004	 \$2,750	 \$0	 IA	No
		01/05/2004	01/05/2004	01/05/2004	

The Information Icon () displayed next to a value on the Outstanding Amount Balance History page indicates changed data. Any time a value changes in the OPB, OIB and/or Loan Status columns, a new row will be created and an Information Icon will denote which value triggered the change.

The page was designed to make it easier to read and locate changes in the data.

### Historically Correct Loan Status

In general, the Historically Correct Loan Status column will be populated with "Yes." The Historically Correct Loan Status column will only be populated with a "No" when a more recent loan status and loan status date contradicts previously reported loan status information.

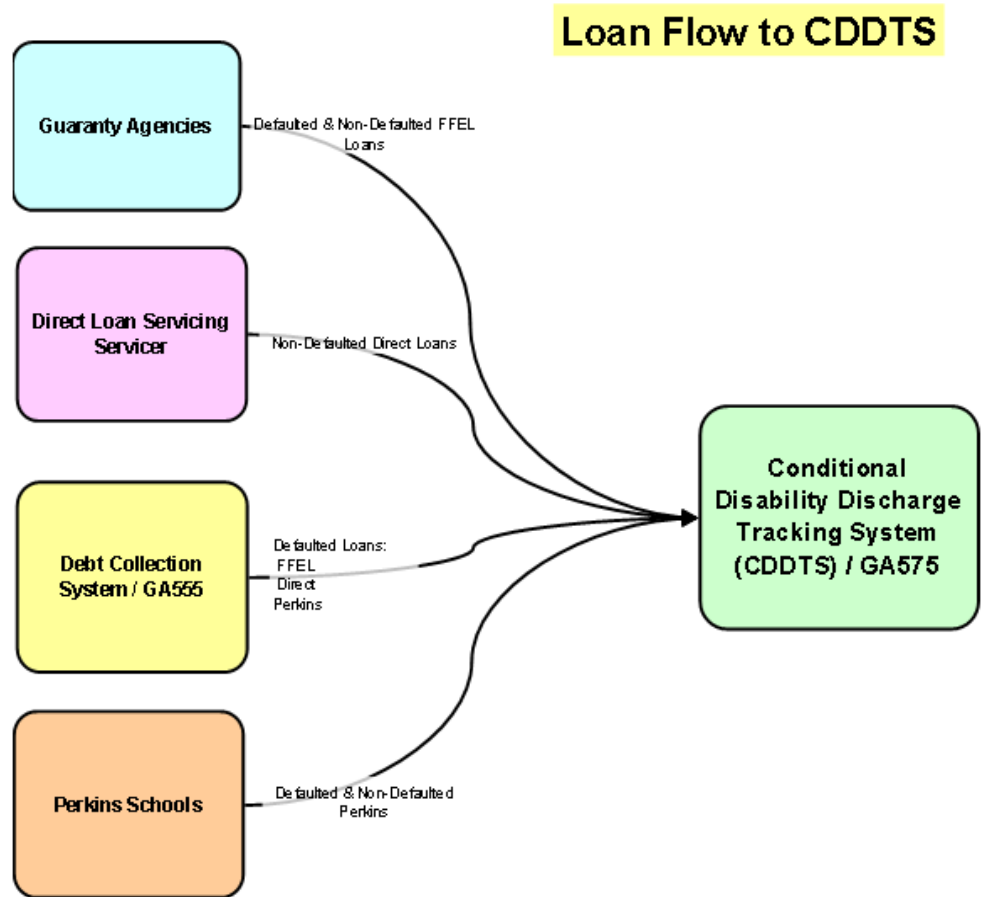
### Example

For instance, in the example above, Fall 2004 semester enrollment information was not received by the data provider at the time of the borrower's enrollment. Therefore, a Subsidized Stafford Loan moved into Grace on 05/02/2004, and then into Repayment Status on 11/02/2004.

The school then provided enrollment information late in the Fall 2004 semester that the student was enrolled at least half-time for the Fall 2004 semester.

<p><b>New Data Provider (CDDTS)</b></p>	<p>When the information was received, the reporting data provider updated the current loan status back to in-school (“IA”) with a date of 01/05/2004 and changed the OIB to \$0 with a date of 01/05/2004. Based on this loan status change from the reporting data provider, NSLDS changed the value in the “Historically Correct Loan Status” field to “No” for the periods that the loan had been originally reported as In Origination (IA), In Grace (IG), and Repayment (RP) Statuses. This in turn created a new row in the Outstanding Amount Balance History because a new Loan Status was reported and the OIB was updated.</p> <p>The information in the Historically Correct Loan Status column, when compared to the Loan Status with which it is associated, may help explain why an OIB accumulated and was then reduced.</p> <p>For additional information, please visit the Help Pages found on the NSLDS Financial Aid Professionals Web site at <a href="http://www.nslsdfap.ed.gov">www.nslsdfap.ed.gov</a>.</p> <p>NSLDS only displays the OPB and OIB as reported by the data provider. Questions related to this history should be directed to the appropriate data provider.</p> <hr/> <p><b>What is The Conditional Disability Discharge Tracking System (CDDTS)?</b></p> <p>Student loan borrowers may be eligible for a disability discharge if they are unable to work and earn money because of an injury or illness that is expected to continue indefinitely or result in death.</p> <p>Until July 1, 2002, loan holders made the determination of a borrower’s eligibility for a disability discharge. Loan holders include lenders and guaranty agencies for FFELs, schools for Perkins loans, the Direct Loan Servicing Center for Direct Loans, and the Department of Education’s Debt Collection Services (DCS) for ED held loans.</p> <p>Beginning July 1, 2002, loan holders were required to assign loans to the Department when the borrower requested a disability discharge. The Conditional Disability Discharge Tracking System (CDDTS) was created to make the determinations on Title IV loans for all disability cases.</p> <p>On April 8, 2005, CDDTS began reporting to NSLDS. This makes it easier to track loans in a disability status. CDDTS is identified on NSLDS as GA Code 575.</p> <p>Grant overpayments are not eligible for disability discharges therefore CDDTS does not accept or report any grant overpayments.</p>
---	---

Because disability loans have not been finally discharged, it is important that NSLDS contain the current principal balance. Guaranty agencies, schools, and the Direct Loan Servicing Center were required, when reporting to NSLDS, to report zero balances for loans in a disability status (DI or DS). They are now encouraged, but not required, to submit current balance amounts to NSLDS when transferring loans to CDDTS. If data providers report zero balances, NSLDS will use the last previously reported balance until current balance information is provided by CDDTS.



### How does NSLDS distinguish between conditional and final disability discharges?

There are two disability loan statuses:

- DS - Disability
- DI - Defaulted, then Disabled

NSLDS will use the OPB, in conjunction with the loan status, to distinguish between a conditional and a final disability discharge.

A conditional discharge will be reported if the loan is in DI or DS status and there is an OPB. NSLDS will display the conditional disability discharge warning icon with loans in this state.

## **CDDTS Repayment Servicing**

When CDDTS issues the final disability discharge, CDDTS will report a zero balance on the loan. The loan status will not change. However since the OPB is zero, NSLDS will change the warning icon to Permanent.

### **How can an FAA confirm loan status for eligibility issues?**

An FAA with questions about eligibility for a student who has received a disability discharge may confirm the loan status with the current data provider on the NSLDS, which will include CDDTS (575) for newer discharges. If CDDTS issues a permanent disability discharge and reports a zero OPB to NSLDS, then that loan will have no further impact on student eligibility.

On the ISIR data, FAAs will see these reported loans associated with GA 575 as Contact Information Type “DDP.”

For loans held by CDDTS you may contact:

ACS/CDDTS Operations  
P.O. Box 7200  
Utica, NY 13504

Phone Number: 888-869-4169

### **What happens when CDDTS determines that a borrower is not eligible for a disability discharge?**

If CDDTS denies the borrower a final disability discharge, loans will be reinstated. Reinstatement in this context means the loans will be placed back into repayment, or another appropriate loan status.

Defaulted loans will be transferred to the Department’s Debt Collection Services (DCS), and non-defaulted Direct Loans will be sent back to Direct Loan Servicing.

However, non-defaulted FFEL and Perkins Loans will not be returned to lenders or schools. These loans will be transferred to CDDTS Repayment Servicing. NSLDS will identify CDDTS Repayment Services with the GA Code 577.

## How do I contact CDDTS Repayment Servicing?

Loans transferred to CDDTS Repayment Servicing (GA 577) will be reported on the ISIR data as Contact Information Type "RDS."

For loans held by CDDTS Repayment Servicing you may contact:

### *Perkins Loans:*

ACS/CBSL Operations (Perkins Servicing)  
2505 S. Finley Road, Suite 100  
Lombard, IL 60148-4899

Phone Number: 866-421-6195

### *FFEL accounts:*

ACS, FFEL Operations  
P.O. Box 7051  
Utica, New York 13504-7051

Phone Number: 800-835-4611

### Loan Flow from CDDTS

